

# United States Department of Agriculture Rural Development

## Section 9006 Renewable Energy Systems and Energy Efficiency Improvements Grant Program

### Guaranteed Loan Application Template Loan of \$600,000 or Less

Or

### Combination Grant and Guaranteed Loan Application Template G-loan of \$600,000 or Less

The guaranteed loan application template – and the combination grant and guaranteed loan application template - for guaranteed loans of \$600,000 or less - on the following pages – provides access to fillable forms and a framework of divider pages to organize the guaranteed loan application for submission to USDA-Rural Development. Please tab the divider pages as indicated.

**Other** tools are available on the Iowa Rural Development Business and Cooperative Program website at: [www.rurdev.usda.gov/ia/rbs.html](http://www.rurdev.usda.gov/ia/rbs.html) - click on energy program, then click on guaranteed loan information.

**Separate** applications must be submitted for renewable energy system and energy efficiency improvement projects. Applicants may only submit **one** application **for each type** of project per fiscal year.

**An original and 1 copy** of the application must be submitted to the  
Iowa Rural Development State Office,  
Attn: Business-Cooperative Programs  
873 Federal Building  
210 Walnut  
Des Moines, Iowa 50309

**A project with total eligible project costs of \$200,000 or less** must involve **commercially available** technology.

**A project with total eligible project costs of more than \$200,000** can involve **commercial or pre-commercial** technology.

This template is designed for training and education and does not replace the 4280-B regulation.

**USDA-Rural Development**  
**Section 9006**  
**Renewable Energy Systems and**  
**Energy Efficiency Improvements Grant Program**

**Guaranteed Loan Application**  
**Loan of \$600,000 or Less**

**Title of Project:** \_\_\_\_\_

**Submitted by**

**Applicant Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City:** \_\_\_\_\_

**County:** \_\_\_\_\_

**State:** \_\_\_\_\_

**Zip code:** \_\_\_\_\_

**Phone #:** \_\_\_\_\_

**E-mail:** \_\_\_\_\_

**Fax:** \_\_\_\_\_

**Choose one:**

☐ **A Renewable Energy Systems Project**  
**or**

☐ **An Energy Efficiency Improvements Project**

**\$ \_\_\_\_\_ Guaranteed Loan Request**

**Date** \_\_\_\_\_

**If you are filing a guaranteed loan only,**

**Use the Table of Contents on Page 4 (the next page) –**

**If you are filing a combination grant and guaranteed loan,**

**Use the Table of Contents on Page 5.**

## Table of Contents for Guaranteed Loan of \$600,000 or less

(Title of the Project) \_\_\_\_\_

**4280.128 (c) Application content for guaranteed loans \$600,000 or less.** Applications and documentation for guaranteed loans \$600,000 or less must comply with paragraphs (c)(1)(i) through (iii) of this section. Applications must use 4279-1A and include documentation in paragraphs (b) (2) (ii), (vii), (viii), (ix), (x), and (xii) of this section. The lender must have the documentation contained in paragraphs (b) (2) (iii), (iv), (v), (vi), and (xi) available in its files for the Agency's review.

**(1) Guaranteed loan application content.** Applications and documentation for guaranteed loans \$600,000 or less must provide the required information organized pursuant to a Table of Contents in a chapter format presented in the order shown in 4280.111 (b)(2) through (8), except as specified in paragraphs (c)(1)(i) through (iii) of this section.

Begin pagination immediately following the Table of Contents.

	4280.111 (b)	<b>G- Loan Application Components - \$600,000 or less</b>	<b>Tab</b>
<b>Applicant/ Borrower</b>	(2)	Table of Contents	
	(3)	Project Summary i Title of Project ii. Applicant eligibility iii. Project Eligibility iv Operation Description v Financial Information for Size Determination	A
	(4)	Financial Information i 3 yr. historical income statement, balance sheet, and cash flow ii Current year income statement, balance sheet, and cash flow iii start-up + 3 years pro forma income statement, balance sheet, and cash flow	B
	(5)	Matching Funds Documentation	C
	(6)	Self Evaluation Score Documentation is tabbed to match the scoring criteria numbering 1-10.	D
		Energy Audit <i>(needed only if the project is an energy efficiency project)</i>	E
	4280.128 (c)(1)(ii)		
	(A) or (B)	Technical Report	F
	(iii)	Feasibility Study <i>(needed only if project is a renewable energy project with total project costs over \$200,000)</i>	G
<b>Lender</b>	4280.128 (b)(2)(i)	4279-1A "Application for Loan Guarantee, Short Form"	H
	(ii)	1940-20 "Request for Environmental Information" and attachments	I
	(x)	Lender's complete written credit analysis	J
	(xii)	Proposed loan agreement	K

**Table of Contents for  
Combination Grant and Guaranteed Loan  
G- loan of \$600,000 or less**  
(Title of the Project) \_\_\_\_\_

**4280.128 (c) Application content for guaranteed loans \$600,000 or less.** Applications and documentation for guaranteed loans \$600,000 or less must comply with paragraphs (c)(1)(i) through (iii) of this section. Applications must use 4279-1A and include documentation in paragraphs (b) (2) (ii), (vii), (viii), (ix), (x), and (xii) of this section. The lender must have the documentation contained in paragraphs (b) (2) (iii), (iv), (v), (vi), and (xi) available in its files for the Agency's review.

**(2) Guaranteed loan application content.** Applications and documentation for guaranteed loans \$600,000 or less must provide the required information organized pursuant to a Table of Contents in a chapter format presented in the order shown in 4280.111 (b)(2) through (8), except as specified in paragraphs (c)(1)(i) through (iii) of this section.

Begin pagination immediately following the Table of Contents.

		<b>Application Components Combination Grant and Guaranteed Loan G-loan of \$600,000 or less</b>	<b>Tab</b>
<b>Applicant/ Borrower</b>		If total eligible project costs are <u>\$200,000 or less</u> , the applicant will file a <b>Simplified</b> Application. <u>In addition</u> , they will need to submit financial information: <ul style="list-style-type: none"> <li>i 3 yr. historical income statement, balance sheet, and cash flow</li> <li>ii Current year income statement, balance sheet, and cash flow</li> <li>iii Start-up + 3 years pro forma income statement, balance sheet, and cash flow</li> </ul>	Grant
		If total eligible project costs <u>exceed \$200,000</u> , the applicant will file a <b>Full</b> Application. The financial information is already a part of this application.	
		<i>Click <b><u>Grants</u></b> to reach either template.</i>	
		Use only the divider pages H, J, and K.	
<b>Lender</b>	4280.128 (b)(2)(i)	4279-1A "Application for Loan Guarantee, Short Form"	H
	(x)	Lender's complete written credit analysis	J
	(xii)	Proposed loan agreement	K

## Tab A

Divider Page

### Project Summary 4280.111 (b) (3) (i) through (v)

Put a check or an "x"  
if the item is included  
behind this divider page.

(i) Title of the project	
(ii) Applicant Eligibility (as per 4280.107 (a)(1) thru (4))	
(iii) Project Eligibility (as per 4280.108 (a) thru (g))	
(iv) Operation Description	
(v) Financial Information for Size Determination	
IRS forms	<b>A-1</b>
NAICS code information <i>(if applicable)</i>	<b>A-2</b>
Documentation of commercially available or pre-commercial technology	<b>A-3</b>
Third party contracts for management and maintenance <i>(if applicable)</i>	<b>A-4</b>
Evidence of site control	<b>A-5</b>

## Section 9006 – Project Summary

Applicant Name: \_\_\_\_\_

**A. Title** of Project: \_\_\_\_\_

This is a (choose one – ☐ renewable energy project or an ☐ energy efficiency project).

The applicant is (choose one – ☐ an agricultural producer or ☐ a rural small business).

### B. Applicant Eligibility

(1)

If applying as an agricultural producer – please explain and attach documentation how you meet the following definition:

*An agricultural producer is an individual or entity directly engaged in the production of agricultural products, including crops (including farming); Livestock (including ranching); forestry products; hydroponics; nursery stock; or aquaculture, whereby **50% or greater of their gross income** is derived from the operations. 50% or greater of gross income is determined as follows:*

*Line 11 of IRS form Schedule F divided by  
(line 22 IRS form 1040) + (line 35 of IRS form Schedule F) + (line 28 and 30 from Schedule C)*

*Attached are previous year IRS tax forms to confirm the computation (Exhibit A-1).*

Or -

If applying as a rural small business – please explain and attach documentation how you meet the following definition

<http://sba.gov/size/index.html>:

*An entity is considered a small business in accordance with the Small Business Administrations (SBA) small business size standards by NAICS found in Title 13 CFR part 121. A private entity including a sole proprietorship, partnership, corporation, cooperative (including a cooperative qualified under section 501(c)(12) of the Internal Revenue Code), and an electric utility including a Tribal or governmental electric utility that provides service to rural consumers on a cost of service basis without support from public funds or subsidy from the government authority establishing the district, provided such utilities meet SBA's definition of small business. These entities must operate independent of direct Government control. With the exception of the entities described above, all other non-profit entities are excluded.*

Your NAICS code: \_\_\_\_\_ Type of business: \_\_\_\_\_.

NAICS code limitations: \_\_\_\_\_.

Your explanation and documentation (Exhibit A-2) of how you meet the limitations:

**2) Citizenship** – Please check one of the following as it pertains to your situation:

- ☐ The applicant is an individual and is a citizen of the U.S. or has resided in the U.S. after being legally admitted for permanent residence.
- ☐ The applicant is an entity which is at least 51% owned, directly or indirectly, by individuals who are either citizens of the U.S. or reside in the U.S. after being legally admitted for permanent residence.

**3) Judgments or delinquencies**

Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	Do you have any outstanding judgments in federal court (other than U.S. tax court)?
<input type="checkbox"/>	<input type="checkbox"/>	Are you delinquent in the payment of federal income taxes?
<input type="checkbox"/>	<input type="checkbox"/>	Are you delinquent in any federal debt?
<input type="checkbox"/>	<input type="checkbox"/>	Have you ever been debarred from federal financial assistance?

**C. Project Eligibility**

**(a)** The proposed project is for the purchase of (check one):

- ☐ a renewable energy system, or
- ☐ energy efficiency improvements.

A description of my project is:

**(b)** The proposed project is a (check one):

- ☐ commercially available and replicable technology, or

Commercially available - A system that has a proven operating history specific to the proposed application. Such a system is based on established design, and installation procedures and practice. Professional service providers, trades, large construction equipment providers, and labor are familiar with installation procedures and practices. Proprietary and balance of system equipment and spare parts are readily available. Service is readily available to properly maintain and operate system. An established warranty exists for parts, labor, and performance.

- ☐ pre-commercial and replicable technology.

Pre-commercial technology – Technologies that have emerged through the research and development process and have technical and economic potential for commercial application, but are not yet commercially available.

Attached is the following documentation (Exhibit A-3) to support this classification:



- (c) The project has technical merit as set forth in the technical report guidelines outlined in 4280.112 (d).  
☐ Yes (for projects with total eligible costs of \$200,000 or less), the Technical report follows the format and content of **Appendix A**.

Or

- ☐ Yes (for projects with total eligible costs exceeding \$200,000), the Technical report follows the format and content of **Appendix B**.

- (d) The project is located in a rural area other than a city or town that has a population of greater than 50,000 inhabitants and the urbanized area contiguous and adjacent to such a city or town.  
Project location \_\_\_\_\_ 2000 population census \_\_\_\_\_

- (e) The owner of the project is \_\_\_\_\_.  
Is the owner of the project and the applicant – the same individual or entity? ☐ Yes ☐ No  
Does the owner control the revenues and expenses of the project, including operation and maintenance?  
☐ Yes ☐ No  
If no, please explain (a third party under contract to the owner may be used to control revenues and expenses and manage the operation and/or maintenance of the project) – attached is any necessary documentation (Exh. A-4):

- (f) Does the applicant control the site of the proposed project? ☐ Yes ☐ No  
Attached is evidence the site is controlled by the applicant for the financing term of the loan guarantee or the useful life of the project financed by the grant (Exhibit A-5).

- (g) Attached is documentation which shows there are satisfactory sources of revenue in an amount sufficient to provide for the operation, management, maintenance, and debt service of the project for the life of the project.  
(Refer to item #6 in the technical report – project economic assessment and Tab G – Feasibility Study.)

D. Operation Description	
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- (1) Describe the applicant's total farm/ranch/business operation and the relationship of the proposed project to the applicant's total farm/ranch/business operation.

## E. Financial Information for Size Determination

Attached is financial information to allow the Agency to determine the applicant's size. All information submitted under this paragraph has been substantiated by authoritative records. Financial size will determine the number of points the applicant is eligible for – for scoring criteria #6 – Small agricultural producer – or – Very Small Business. Voluntarily providing tax returns is one means of satisfying this requirement and providing documentation for scoring criteria #6.

IRS forms submitted are as follows (please check as applicable):

- ☐ IRS form 1120 – Corporation
- ☐ IRS form 1120S – “S” corporation
- ☐ IRS form 1065 – Partnership
- ☐ IRS Schedule F – Farming
- ☐ IRS Schedule C – Business
- ☐ IRS Form 1040

**(A) Rural small businesses** must provide sufficient information to determine total annual receipts for and number of employees of the business and any parent, subsidiary, or affiliates at other locations. The information provided must be sufficient for the Agency to make a determination of business size as defined by SBA.

Total Annual Receipts: The total income or gross income (sole proprietorship) plus cost of goods sold.

The applicant's determination of business size is as follows:

\_\_\_\_\_ IRS form 1120 – Corporation – line 1a  
\_\_\_\_\_ IRS form 1120 S – “S” Corporation – line 1a  
\_\_\_\_\_ IRS form 1065 – Partnership – line 1a  
\_\_\_\_\_ IRS Schedule C – Business – line 1  
\_\_\_\_\_ IRS Schedule F – Farming – lines 3 and 4

Documentation as to the number of employees is as follows:

or

**(B) Agricultural producers:** Provide the gross market value of your agricultural products, gross agricultural income, and gross non-farm income of the applicant for the calendar year preceding the year in which you submit your application.

1 \_\_\_\_\_ Schedule F – line 3 and 4 (gross market value of agricultural products)  
2 \_\_\_\_\_ Schedule F – line 11 (gross agricultural income)  
3 \_\_\_\_\_ Line 22 of IRS form 1040 + line 28 and 30 from Schedule C (gross non-farm income)  
\_\_\_\_\_ + \_\_\_\_\_

## Tab B

Divider Page

<b>Financial Information</b> <i>4280.111 (b) (4) (i) through (iii)</i> <i>And</i> <i>4280.128 (b)(2)(viii)</i> <b>A financial statement typically includes an income statement, balance sheet, and cash flow statement.</b>	
Financial information is required on the total operation of the agricultural producer/rural small business and its parent, subsidiary, or affiliates at other locations. All information submitted under this paragraph must be substantiated by authoritative records.	
	Put a check or an "x" if the item is included behind this divider page.
<b>3 yr. Historical financial statements</b>  <b>Historical financial statements</b> prepared in accordance with Generally Accepted Accounting Practices (GAAP) for the past 3 years, including income statements and balance sheets. If agricultural producers are unable to present this information in accordance with GAAP, they may instead present financial information for the past years in the format that is generally required by commercial agriculture lenders.	
<b>Current year financial statement</b>  <b>Current balance sheet and income statement</b> – Provide a current balance sheet and income statement prepared in accordance with generally accepted accounting principles (GAAP) and dated within 90 days of the application. Agricultural producers should present financial information in the format that is generally required by commercial agriculture lenders.	
<b>3 yr pro forma financial statements</b>  <b>Pro Forma &amp; Projections</b> – Provide pro forma balance sheet at startup of the agricultural producer's/rural small business' business that reflects the use of the loan proceeds or grant award; and 3 additional years, indicating the necessary start-up capital, operating capital, and short-term credit; and projected cash flow and income statements for 3 years supported by a list of assumptions showing the basis for the projections.	

<h2 style="text-align: center;">Tab C</h2> <p style="text-align: center;">Divider Page</p>	
<b>Matching Funds Documentation 4280.111 (b) (5)</b>	
	Put a check or an "x" if the item is included behind this divider page.
A <b>spreadsheet</b> identifying <b>sources of matching funds, amounts</b> and <b>status</b> of matching funds. The spreadsheet will also include a directory of matching funds source contact information.	
<b>Attach</b> any applications, correspondence, or other written communication between applicant and matching fund source.	
The matching funds letter is not a letter of intent. <b>It is a <u>commitment</u> to the project for a specific amount of dollars.</b>	

Without specific statutory authority, other Federal grant awards and applicant in-kind contributions cannot be used to meet the matching fund requirement. Third-party, in-kind contributions are limited to 10% of the matching fund requirement of the grant or guaranteed loan. The Agency will advise if the third-party, in-kind contributions are acceptable in accordance with 7 CFR part 3015.

Passive third party equity contributions are acceptable for renewable energy system projects, including those that are eligible for Federal production tax credits, provided the applicant meets the requirements of Section 4280.107 (applicant eligibility).

## Matching Funds Documentation Spreadsheet

Total Cost \$ \_\_\_\_\_

	Source of Funds	Contact Name	Contact Phone & Fax	Contact Address	Dollars	Status of Funds	Attachments to verify status?
1							
2				t			
3							
4							
5							
6							
	Amount of this guaranteed loan application request						
				Total Project Cost		(Should match total project cost on 4279-1A #28 located behind Tab H)	

<h1>Tab D</h1> <h2>Divider Page</h2>	
<b>Self Evaluation Score 4280.111 (b) (6)</b>	
Put a check or an "x" if the item is included behind this divider page.	
Self-score the project using the evaluation criteria 4280.112 (e).	
Use Appendix C to 4280-B or Guide 4– Scoring Guideline to complete the evaluation.	Guide 4 follows this divider page.
<p>To justify the score, submit the total score along with appropriate calculations and attached documentation, or specific cross- references to information elsewhere in the application.</p> <p>Tab the documentation attached to the score sheet to match the scoring criteria number. For example:</p> <p>Scoring criteria #1 – tab the documentation #1  Scoring criteria #2 – tab the documentation #2  Etc. Etc.</p>	

# Renewable Energy and Energy Efficiency Improvement Program Evaluation Criteria Scoring Guideline Per 4280-B Regulation -4280.112 (e)

Name of Applicant: \_\_\_\_\_  
Type of Technology: \_\_\_\_\_  
Funding Request: \_\_\_\_\_

## Final Total Score (Points) (sum of Categories 1-10):

List the maximum points the applicant is eligible for under each of the following ten categories, sum the individual scores (points), and place the total in the above box under "Final Total Score."

### (1) Quantity of Energy Replaced, Produced, or Saved.

Points may only be awarded for one category (A, B, or C). **NREL will provide their opinion on (i) or (ii) or (iii).**

#### (i) Energy replacement

If the proposed renewable energy system is intended primarily for self use by the agricultural producer or rural small business, and will provide energy replacement of:

Greater than 0 but equal to or less than 25%, <b>award 5 points.</b>	Points
Greater than 25%, but equal to or less than 50%, <b>award 10 points.</b>	
Greater than 50%, <b>award 15 points.</b>	
Determine energy replacement by dividing the estimated quantity of renewable energy to be generated over a 12 month period by the estimated quantity of energy consumed over the same 12 month period during the previous year by the applicable energy application. The estimated quantities of energy must be converted to British thermal units (BTU's), Watts, or similar energy equivalents to facilitate scoring. If the estimated energy produced equals more than 150% of the energy requirements of the applicable process(es), score the project as an energy generation project.	

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_\_1\_\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**or**

#### (ii) Energy Savings (include additional 5 points if applicable)

(1) If the estimated energy expected to be saved by the installation of the energy efficiency improvements will be from:

20% up to but not including 30%, <b>award 5 points.</b>	Points
30% up to but not including 35%, <b>award 10 points.</b>	
35% or greater, <b>award 15 points.</b>	
Energy savings will be determined by the projections in an energy assessment or audit.	

(2) Additional points.

If the project has total eligible project costs of <u>\$50,000 or less</u> AND opts to obtain a professional energy audit, <b>award an additional 5 points.</b>	Points
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*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_\_1\_\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**or**

#### (iii) Energy generation

If the proposed renewable energy system is intended primarily for production of energy for sale, <b>award 10 points.</b>	Points
--	--------

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_\_1\_\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*



**(2) Environmental benefits**

If the purpose of the proposed system contributes to the environmental goals and objectives of other Federal, State, or local programs, <b>award 10 points.</b>	Points
Award points only if the applicant provides documentation from an appropriate authority supporting this claim.	

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_\_2\_\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**(3) Commercial availability**

If the proposed system or improvement is currently commercially available and replicable, <b>award 5 points.</b>	Points
If the proposed system or improvement is commercially available and replicable and is also provided with a <u>5 year or longer warranty</u> providing the purchaser protection against system degradation or breakdown or component breakdown, <b>award 10 points.</b>	

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_3\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**(4) Technical Merit** – The applicant should not score this criteria.

*The contents of the Technical report will substantiate the score for technical merit. NREL will determine final points awarded.*

If the description - - -	
Has no significant weaknesses and exceeds the requirements of the paragraph	award 100% of the total possible score.
Has one or more significant strengths, and meets the requirements of the paragraph	award 80% of the total possible score.
Meets the basic requirements of the paragraph but also has several weaknesses	award 60% of the total possible score.
Is lacking in one or more critical aspects, key issues have not been addressed, but the description demonstrates some merit or strengths	award 40% of the total possible score.
Has serious deficiencies, internal inconsistencies or is missing information	award 20% of the total possible score.
Has no merit in this area	award 0% of the total possible score.
The total possible points for Technical Merit is 35 points.	

The 10 subparagraphs which are the basis for evaluation.	Maximum possible score	% of score awarded	Score Awarded
(A) <b>Qualifications of the project team</b> -The applicant has described the project team service providers, their professional credentials, and relevant experience. The description supports that the project team service, equipment, and installation providers have the necessary professional credentials, licenses, certifications, or relevant experience to develop the proposed project.	10		
(B) <b>Agreements and Permits</b> -The applicant has described the necessary agreements and permits required for the project and the schedule for securing those agreements and permits.	5		
(C) <b>Energy or Resource Assessment</b> -The applicant has described the quality and availability of a suitable renewable resource, or an assessment of expected energy savings for the proposed system.	10		
(D) <b>Design and Engineering</b> -The applicant has described the design, engineering, and testing needed for the proposed project. The description supports that the system will be designed, engineered, tested so as to meet its intended purpose, ensure public safety, and comply with applicable laws, regulations, agreements, permits, codes, and standards.	30		
(E) <b>Project Development Schedule</b> -The applicant has described the development method including the key project development activities and the proposed schedule for each activity. The description identifies each significant task, its beginning and end, and its relationship to the time needed to initiate and carry the project through to successful completion. The description addresses grantee or borrower project development cash flow requirements.	5		
(F) <b>Project Economic Assessment</b> -The applicant has described the financial performance of the proposed project, including the calculation of simple payback. The description addresses project costs and revenues, such as applicable investment and production incentives and other information to allow the assessment of the project's cost effectiveness.	20		
(G) <b>Equipment Procurement</b> - The applicant has described the availability of the equipment required by the system. The description supports that the required equipment is available, and can be procured and delivered within the proposed project development schedule.	5		
(H) <b>Equipment Installation</b> -The applicant has described the plan for site development and system installation.	5		
(I) <b>Operations and Maintenance</b> -The applicant has described the operations and maintenance requirements of the system necessary for the system to operate as designed over the design life.	5		
(J) <b>Dismantling and disposal of project components</b> The applicant has described the plan for dismantling and disposing of project components at the end of their useful lives and associated wastes.	5		
Total Possible Score	100	Total Score Awarded	
Total Score Awarded _____ = _____ % X 35 total possible points = Total Possible Score 100			Points awarded

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab # \_\_\_\_ See the technical report score from the NREL tracking system \_\_\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**(5) Readiness (Grants only)**

If the applicant has written commitments, prior to the Agency receiving the complete application, from the source(s) confirming commitment of:

50% up to but not including 75% of the matching funds, <b>award 5 points.</b>	Points
75% up to but not including 100% of the matching funds, <b>award 10 points.</b>	
100% of the matching funds, <b>award 15 points.</b>	

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_5\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**(6) Small Agricultural Producer/Very Small Rural Business**

If the applicant is an agricultural producer producing agricultural products with a gross market value of:

less than \$600,000 in the preceding year, <b>award 5 points.</b>	Points
less than \$200,000 in the preceding year, <b>OR</b> is a Very Small Rural Business as defined in 4280.103 (a business with less than 15 employees and less than \$1 million in annual receipts), <b>award 10 points.</b>	

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_6\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**(7) Simplified application**

If an applicant is eligible for and uses the simplified application process <b>or</b> if the project has total eligible project costs of \$200,000 or less, <b>award 5 points.</b>	Points
--	--------

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_7\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**(8) Previous grantees and borrowers**

If the applicant has not been awarded a grant or loan under this program within the 2 previous Federal fiscal years, <b>award 5 points.</b>	Points
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*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_8\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**(9) Return on investment (NREL will make the final determination for these points.)**

If the proposed project will return the cost of investment in

Less than 4 years, <b>award 10 points.</b>	Points
4 years up to but not including 8 years, <b>award 4 points.</b>	
8 years up to 11 years, <b>award 2 points.</b>	

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_9\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

**(10) Loan Rate (Guaranteed Loans only; 4280.129 (e)):**

If the rate of the loan is below the Prime Rate (as published in the Wall Street Journal) plus 1.5 percent, <b>award 5 points.</b> <b>OR</b>	Points
If the rate of the loan below the Prime Rate (as published in the Wall Street Journal) plus 1 percent, <b>award 10 points.</b>	

*Attach the documentation to substantiate this score for this category.*

*You have identified this documentation via tab #\_\_10\_\_.*

*Your explanation of points awarded to be entered into the tracking system.*

<h2 style="margin: 0;">Tab E</h2> <p style="margin: 0;">Divider Page</p>	
<b>Energy Audit</b> <b>(for Energy Efficiency Projects Only)</b> 4280.111 (b) (7) (ii) (B)	
Put a check or an "x" if the item is included behind this divider page.	
For energy efficiency improvement projects with <u>total eligible</u> project costs <u>greater</u> than \$50,000, <b>an energy audit must be</b> <b>conducted by or reviewed and certified by an energy</b> <b>auditor.</b>	
<u><b>Energy audit</b></u> – A report conducted by a Certified Energy Manager or Professional Engineer that focuses on potential capital-intensive projects and involves detailed gathering of field data and engineering analysis. The report will provide detailed project cost and savings information with a high level of confidence sufficient for major capital investment decisions. It will estimate costs, expected energy savings from the subject improvements, and dollars saved per year. The report will estimate weighted-average payback period in years.	

<div>Tab F</div> <div>Divider Page</div>	
<div>Technical Report</div> <div>(required of every project)</div> <div>4280.111 (b) (7) (ii) (A) and (C) through (G)</div>	
<div>Put a check or an "x" if the item is included behind this divider page.</div>	
<div>4280.128(c)(1)(ii)</div> <div>(A) For renewable energy projects and energy efficiency projects utilizing commercially available systems or improvements with total eligible project costs of <b>\$200,000 or less</b>, submit a Technical Report, which as described in <b>Appendix A</b> of this subpart. If a renewable energy project does not fit one of the technologies identified in Appendix A, the applicant must submit a Technical Report that conforms to the overall outline and subjects specified in 4280.111(b)(7)(ii)(G) under Appendix B.</div> <div>(B) For renewable energy projects and energy efficiency projects utilizing <b>pre-commercial technology</b> or with total eligible project costs <b>greater than \$200,000</b>, submit a Technical Report as described in <b>Appendix B</b> of this subpart and as specified in 4280.111(b)(7)(ii)(G)(1) through (10), as applicable.</div>	
The Technical report must demonstrate that the renewable energy system or energy efficiency improvement project can be installed and perform as intended in a reliable, safe, cost effective, and legally compliant manner.	
The services of a <b>professional engineer</b> (P.E.) or team of licensed PE's are required <ul style="list-style-type: none"> <li>- on <b>renewable energy</b> projects with total eligible projects costs <b>exceeding \$400,000</b>.</li> <li>- and for <b>energy efficiency</b> projects with total eligible project costs <b>exceeding \$200,000</b>.</li> </ul> Services include a design review, installation monitoring, testing prior to commercial operation and project completion certification.	
Projects exceeding total eligible costs of <b>\$1,200,000</b> , the technical report must be reviewed and include an opinion and recommendation by an independent qualified consultant.	
All information provided in the Technical Report will be evaluated against the <b>requirements provided in Appendix A or B, as applicable</b> , of this subpart. Any Technical Report <b>not prepared in the following format</b> and in accordance with Appendix A or B, where applicable, <b>will be penalized under scoring for technical merit</b> .	
<b>Technical Report Requirements – To find Appendix A or Appendix B guidelines – click on G-loans and follow the steps to Step 3</b>	
(1) <b>Qualifications of the project team</b> -The applicant has described the project team service providers, their professional credentials, and relevant experience. The description supports that the project team service, equipment, and installation providers have the necessary professional credentials, licenses, certifications, or relevant experience to develop the proposed project.	
(2) <b>Agreements and Permits</b> -The applicant has described the necessary agreements and permits required for the project and the schedule for securing those agreements and permits.	
(3) <b>Energy or Resource Assessment</b> -The applicant has described the quality and availability of a suitable renewable resource, or an assessment of expected energy savings for the proposed system.	
(4) <b>Design and Engineering</b> -The applicant has described the design, engineering, and testing needed for the proposed project. The description supports that the system will be designed, engineered, tested so as to meet its intended purpose, ensure public safety, and comply with applicable laws, regulations, agreements, permits, codes, and standards.	
(5) <b>Project Development Schedule</b> -The applicant has described the development method including the key project development activities and the proposed schedule for each activity. The description identifies each significant task, its beginning and end, and its relationship to the time needed to initiate and carry the project through to successful completion. The description addresses grantee or borrower project development cash flow requirements.	
(6) <b>Project Economic Assessment</b> -The applicant has described the financial performance of the proposed project, including the calculation of simple payback. The description addresses project costs and revenues, such as applicable investment and production incentives and other information to allow the assessment of the project's cost effectiveness.	
(7) <b>Equipment Procurement</b> - The applicant has described the availability of the equipment required by the system. The description supports that the required equipment is available, and can be procured and delivered within the proposed project development schedule.	
(8) <b>Equipment Installation</b> -The applicant has described the plan for site development and system installation.	
(9) <b>Operations and Maintenance</b> -The applicant has described the operations and maintenance requirements of the system necessary for the system to operate as designed over the design life.	
(10) <b>Dismantling and disposal of project components</b> -The applicant has described the plan for dismantling and disposing of project components at the end of their useful lives and associated wastes.	

<div style="text-align: center;"> <b>Tab G</b>          Divider Page       </div>	
<b>Feasibility Study</b> <i>4280.111 (b) (8) and 4280.128 (c)(1)(iii)</i> <b>(required for <u>renewable energy</u> projects only          which exceed \$200,000 in total eligible costs)</b>	
Put a check or an "x" if the item is included behind this divider page.	
For each application for a renewable energy system project, with total eligible project costs <u>greater than \$200,000</u> , a business-level feasibility study is required,	
An independent qualified consultant <b>will be required</b> by the Agency for start-up businesses or existing businesses.	
An acceptable business-level feasibility study must at least include an evaluation of economic, market, technical, financial, and management feasibility.	

[Click here](#) – to go to “feasibility guidelines” for additional information.

<div style="text-align: center;"> <b>Tab H</b>            Divider Page         </div>	
4280.128 (b)(2)(i)	Put a check or an "x" if the item is included behind this divider page.
4279-1A "Application for Loan Guarantee, Short Form" <i>(This form is fillable on-line) – go to</i>  <a href="http://www.rurdev.usda.gov/ia/4279-1A_fillable.pdf">http://www.rurdev.usda.gov/ia/4279-1A_fillable.pdf</a>	
This certification is located on the 4279-1A Application form. <b>(xi)</b> A <u>certification</u> by the lender that it has completed a <u>comprehensive written analysis of the proposal</u> , the borrower is eligible, the loan is for authorized purposes with technical merit, and there is reasonable assurance of repayment ability based on the borrower's history, projections, equity, and the collateral to be obtained.	

<b>Tab I</b> Divider Page
4280.128 (b)(2)(ii)
1940-20 – Request for Environmental Information – and documentation  Click here to reach the form: <a href="http://www.rurdev.usda.gov/ia/rbcs_1940-20.pdf">http://www.rurdev.usda.gov/ia/rbcs_1940-20.pdf</a>
<i>Consult with the Rural Development Area Office Specialist for documentation needed.</i>

These items must be available in lender's files for the Agency's review and do not need to be submitted with the application.	
(iii)	A personal credit report for the borrower from an Agency approved credit reporting company for each owner, each partner, officer, director, key employee, and stockholder owning 20% or more interest in the borrower's business except passive investors and those corporations listed on a major stock exchange.
(iv)	Appraisals completed in accordance with 4280.141. Completed appraisals should be submitted when the application is filed. If the appraisal has not been completed when the application is filed, the applicant must submit an estimated appraisal. In all cases, a completed appraisal must be submitted prior to the loan being closed.
(v)	Commercial credit reports obtained by the lender on the borrower and any parent, affiliate, and subsidiary firms.
(vi)	Current personal and corporate financial statements of any guarantors
(vii)	Intergovernmental consultation comments in accordance with 7 CFR part 3015, subpart V, of this title. – NA in Iowa



## Tab J

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#### Lender's Complete Written Credit Analysis

4280.128 (b)(2)(x)

[Click here](#) to reach credit quality requirements.

	Put a check or an "x" if the item is included behind this divider page.
Lender's complete written analysis, including:	
-Spreadsheets of the balance sheets and income statements for the 3 previous years (for existing businesses), pro forma balance sheet at startup, and 3 years projected year end balance sheets and income statements -With appropriate ratios and comparisons with industrial standards (such as Dun & Bradstreet or Robert Morris Associates).	
All data must be shown in total dollars and also in common size form, obtained by expressing all balance sheet items as a percentage of assets and all income and expense items as a percentage of sales.	
The lender's credit analysis must address the:	
Borrower's management	
Repayment ability including a cash-flow analysis	
History of debt repayment	
Necessity of any debt refinancing	
And the credit reports of the borrower, its principals, and any parent, affiliate, or subsidiary.	

#### 4280.128 (b) (2)

#### (x) Lender's complete comprehensive written analysis in accordance with 4280.139-Credit Quality

The lender must determine credit quality and must address all of the elements of credit quality in a written credit analysis including adequacy of equity, cash flow, collateral, history, management, and current status of the industry for which credit is to be extended.

- (a) Cash flow – All efforts will be made to structure debt so that the business has adequate debt coverage and the ability to accommodate expansion.
- (b) Collateral – Collateral must have documented value sufficient to protect the interest of the lender and the Agency. The discounted collateral value will normally be at least equal to the loan amount. Lenders will discount collateral consistent with sound loan-to-value policy. Guaranteed loans made under this subpart shall have at least parity position with guaranteed loans made under subpart B of part 4279 of this title.
- (c) Industry. The current status of the industry will be considered. Borrowers developing well established commercially available renewable energy systems with significant support infrastructure may be considered for better terms and conditions than those borrowers developing systems with limited infrastructure.
- (d) Equity – In determining the adequacy of equity, the lender must meet the criteria specified in paragraph (d) (1) of this section for loans over \$600,000 and the criteria in paragraph (d)(2) of this section for loans of \$600,000 or less. Cash equity injection, as discussed in paragraphs (d)(1) and (2) of this section, must be in the form of **cash**. Federal grant funds may be counted as cash. (2) For loans of \$600,000 or less, borrowers shall demonstrate evidence of cash equity injection in the project of not less than 15 percent of eligible project costs. The fair market value of equity in real property that is to be pledged as collateral for the loan may be substituted in whole or in part to meet the cash equity requirement. However, the appraisal completed to establish the fair market value of the real property must not be more than one year old and must meet Agency appraisal standards.
- (e) Lien Priorities. The entire loan will be secured by the same security with equal lien priority for the guaranteed and unguaranteed portions of the loan. The unguaranteed portion of the loan will neither be paid first nor given any preference or priority over the guaranteed portion. A parity or junior position may be considered provided that discounted collateral values are adequate to secure the loan in accordance with paragraph (b) of this section after considering prior liens.

## Tab K

Divider Page

### Proposed Loan Agreement

4280.128 (b)(2)(xii)

**[Click Here](#) to reach the loan agreement requirements**

**(xii)** A proposed Loan Agreement or a sample Loan Agreement with an attached list of the proposed Loan Agreement provisions. The following requirements must be addressed in the proposed or sample Loan Agreement:

(A)	Prohibition against assuming liabilities or obligations of others.	
(B)	Restriction on dividend payments.	
(C)	Limitation on the purchase or sale of equipment and fixed assets.	
(D)	Limitation on compensation of officers and owners.	
(E)	Minimum working capital or current ratio requirement.	
(F)	Maximum debt-to-net worth ratio.	
(G)	Restrictions concerning consolidations, mergers, or other circumstances.	
(H)	Limitations on selling the business without the concurrence of the lender.	
(I)	Repayment and amortization of the loan.	
(J)	List of collateral and lien priority for the loan including a list of persons and corporations guaranteeing the loan with a schedule for providing the lender with personal and corporate financial statements. Financial statements on the corporate and personal guarantors must be updated at least annually once the guarantee is provided.	
(K)	Type and frequency of financial statements to be required from the borrower for the duration of the loan.	
(L)	The addition of any requirements imposed by the Agency in Form RD 4279-3.	
(M)	A reserved section for any Agency environmental requirement.	
(N)	A provision for the lender or the Agency to have reasonable access to the project and its performance information during its useful life or the term of the loan, whichever is greater, including the periodic inspection of the project by a representative of the Lender or the Agency.	